

Message Text

CONFIDENTIAL

PAGE 01 TOKYO 08910 01 OF 03 160450Z
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W
-----160502Z 086392 /15
O 160405Z JUN 77
FM AMEMBASSY TOKYO
TO SECSTATE WASHDC IMMEDIATE 8664

C O N F I D E N T I A L SECTION 1 OF 3 TOKYO 8910

EXDIS

E.O. 11652: GDS
TAGS: PARM, TECH, ENRG, JA
SUBJECT: BUREAUCRATIC DYNAMICS OF NUCLEAR ISSUE UPDATED

SUMMARY. THE REPROCESSING ISSUE IS INCREASINGLY A MATTER OF TOP LEVEL CONCERN IN JAPAN. REPROCESSING AND FURTHER DEVELOPMENT OF FAST BREEDER REACTORS ARE BROADLY PERCEIVED BY JAPANESE TO BE ESSENTIAL TO JAPAN'S VITAL INTERESTS. WE HAVE NOTICED, IN THIS CONTEXT, A STIFFENING OF THE GOJ REPROCESSING POSITION OVER THE PAST SEVERAL WEEKS. AS INDUSTRY, MITI, AND THE MEDIA HAVE WEIGHED IN, THE HARD LINE POSITION REPRESENTED BY SCIENCE AND TECHNOLOGY AGENCY CHIEF UNO HAS GAINED GROUND AT THE EXPENSE OF MODERATES MORE WILLING TO COMPROMISE IN MOFA AND ELSEWHERE. MOREOVER, ALTHOUGH REPROCESSING IS NOT YET A POPULAR ISSUE, THE GOVERNMENT AND LDP LEADERSHIP MUST BE SEEN TO BE FORCEFULLY REPRESENTING JAPAN'S NATIONAL INTERESTS IN THE WEEKS LEADING UP TO THE UPPER HOUSE ELECTION OR RISK SCATHING OPPOSITION PARTY CRITICISM. THERE IS ALSO INCREASING BUREAUCRATIC APPRECIATION THAT SEVERAL EUROPEAN NATIONS DIFFER WITH US SIGNIFICANTLY ON NUCLEAR POLICY, AND A JAPANESE "WAIT AND SEE" STRATEGY APPEARS TO BE GAINING BUREAUCRATIC GROUND. NEVERTHELESS, WE BELIEVE TECHNICAL STUDIES OF THE TOKAI MURA REPROCESSING PLANT OFFER AN IMPORTANT OPPORTUNITY FOR MUTUAL COMPROMISE, PERHAPS ALONG THE LINES SUGGESTED IN TOKYO 7686. END SUMMARY.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 08910 01 OF 03 160450Z

1. WITH PROVISIONAL SETTLEMENT OF THE JAPAN-SOVIET FISHERIES DISPUTE AND DIET CLOSING, THE REPROCESSING ISSUE HAS AGAIN COME TO THE FORE. SENIOR JAPANESE POLITICIANS, BUREAUCRATS AND JOURNALISTS WITH WHOM WE HAVE TALKED PERCEIVE THE ISSUE, RIGHTLY OR WRONGLY, AS AFFECTING JAPAN'S VITAL INTERESTS. INDEED, MOST OF

THEM WOULD PROBABLY SUBSCRIBE TO PRIMIN FUKUDA'S STATEMENT THAT REPROCESSING (AND FAST BREEDER DEVELOPMENT) ARE MATTERS OF "LIFE OR DEATH" FOR JAPAN. WE ARE ALSO RECEIVING INCREASINGLY FREQUENT WARNINGS THAT A GROUND-SWELL OF POPULAR SENTIMENT OPPOSED TO US COULD DEVELOP IF THE ISSUE IS MISHANDLED. THE UPCOMING JULY UPPER HOUSE ELECTION ALSO REQUIRES THAT THE GOJ--AND RULING CONSERVATIVES--REPRESENT FORCEFULLY JAPANESE INTERESTS. ANY PERCEIVED WEAKENING WOULD BE SCORED BY OPPOSITION PARTIES. IT IS AGAINST THIS WIDER BACKGROUND THAT WE HAVE DETECTED THE SHIFTS IN BUREAUCRATIC DYNAMICS OUTLINED BELOW. AN UNDERSTANDING OF BOTH THE BACKGROUND AND THE CHANGED DYNAMICS WILL BE ESSENTIAL, WE BELIEVE, IF OUR VISITING TECHNICAL TEAM IS TO MAXIMIZE ITS EFFECTIVENESS.

2. IN THE PAST WE HAVE SEEN MODERATION WITHIN STA AT THE SENIOR WORKING LEVEL OF THE ATOMIC ENERGY AND NUCLEAR SAFETY BUREAUS, WHICH WE ATTRIBUTE TO TWO FACTORS:

(A) LONG EXPERIENCE IN NUCLEAR COOPERATION WITH U.S. AND DEVELOPMENT OF CLOSE JAPANESE/AMERICAN PERSONAL WORKING RELATIONSHIPS; (B) KNOWLEDGE AND EXPERIENCE IN DOMESTIC AND INTERNATIONAL SAFEGUARDS, WITH GOOD UNDERSTANDING OF NEED FOR STRONGER INTERNATIONAL SAFEGUARDS AND PHYSICAL PROTECTION REGIME. REFLECTING THIS ATTITUDE IN RECENT PAST WERE PROPOSALS MADE BY PNC (A QUASI-GOVERNMENT CORPORATION) TO ADOPT COPROCESSING ALTERNATIVE FOR TOKAI, STRONG SUPPORT FOR PRESIDENT'S NON-PROLIFERATION INITIATIVE.

CONFIDENTIAL

PAGE 03 TOKYO 08910 01 OF 03 160450Z

TIVES FROM KAWASHIMA (EXECUTIVE DIRECTOR OF STA-CONTROLLED NUCLEAR MATERIALS CONTROL CENTER), AND THOUGHTFUL SUGGESTIONS BY KURIHARA OF STA ON SOLUTION TO TOKAI PROBLEM WHICH HAVE NOT SURFACED IN OFFICIAL GOJ/USG TALKS. HOWEVER, WE HAVE DISTINCT FEELING THAT STA STAFF VIEWS HAVE A DIFFICULT TIME REACHING ATTENTION OF STA DIRGEN UNO, PARTLY BECAUSE OF JAPANESE BUREAUCRATIC SYSTEM AND PARTLY BECAUSE WE JUDGE THAT STA STAFF IS FEARFUL OF THE DOMINATING PERSONALITY OF MR. UNO AND HIS POLITICAL CLOUT. UNO, WHILE TRYING TO DEMONSTRATE HIS TECHNICAL COMPETENCY IN NUCLEAR AFFAIRS TO PUBLIC AND (MORE IMPORTANTLY) TO THE DIET, HAS (LIKE HIS PREDECESSORS) EXTREMELY MODEST EXPERIENCE IN THIS FIELD, HAS HAD TO SPEND MOST OF HIS TIME IN DIET RATHER THAN AS ADMINISTRATOR OF STA, AND MUST RELY HEAVILY ON HIS ADMINISTRATIVE VICE-MINISTER, KURACHI, FOR GUIDANCE AND INFORMATION. IN THE PAST WE HAVE CONCENTRATED OUR ATTENTION ON DIRECTORS GENERAL IHARA AND YAMANO AND THEIR NEXT LOWER TIER OF SUPERVISION. NOW, BECAUSE OF UNO'S ASCENSION TO PROMINENCE,

KURACHI MAY BE KEY FIGURE IN FILTERING OUT STA STAFF VIEWS.

3. IN MOFA, THE UN BUREAU HAS BEEN OUR LOGICAL AND HISTORICAL POINT OF CONTACT FOR OVERALL POLICY MATTERS, SUCH AS FOR DELIVERY OF USG POLICY PAPERS AND AS A FORUM FOR DISCUSSION OF NUCLEAR ISSUES IN AN INTERNATIONAL RELATIONS CONTEXT. WE HAVE FOUND HOWEVER, THAT MOFA HAS PLAYED DOWN OFFICIAL IMPORTANCE OF THE PROPOSALS MADE BY IMAI (AS A MOFA CONSULTANT) DURING FIRST ROUND OF TALKS IN APRIL. DIRGEN OKAWA TOLD US THAT HE HAD BEEN UNSUCCESSFUL IN OBTAINING GOJ SUPPORT FOR IMAI APPROACH AND THEREFORE IT HAD TO BE CONSIDERED UNOFFICIAL FOR TIME BEING. INABILITY OF MOFA TO PERSUADE OTHER GOJ AGENCIES TO REACH COMPROMISE POSITION RESULTED IN LACK OF GOJ SPECIFIC PROPOSALS AT TALKS LAST WEEK, AS REPORTED PREVIOUSLY. WE ALSO UNDERSTAND

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 TOKYO 08910 01 OF 03 160450Z

THAT IMAI IS INCENSED OVER MOFA'S FAILURE TO INFORM HIM THAT HIS PROPOSAL HAD BEEN GIVEN SERIOUS CONSIDERATION BY USG AND THAT MOFA HAD NOT BEEN SUCCESSFUL IN GETTING REST OF GOJ ON BOARD. THIS HAD LED TO SOME INTERESTING CONTRADICTIONS. FOR EXAMPLE, IMAI HAS STATED PUBLICLY THAT PLUTONIUM RECYCLE IN LIGHT WATER REACTORS IS NOT ECONOMICAL, AND YET WE UNDERSTAND THAT IN TALKS LAST WEEK GOJ INFORMED USG THAT IT WISHED TO PROCEED WITH COMMERCIAL PLUTONIUM RECYCLE DEVELOPMENT AT JAPCO'S TSURUGA BWR. SINCE IMAI IS A MANAGING DIRECTOR OF JAPCO, THE FAILURE OF COMMUNICATION WITHIN GOJ BECOMES APPARENT. WHEN ASKED ABOUT THIS PARTICULAR DICHOTOMY, OKAWA CHOSE NOT TO RESPOND.

4. REPRESENTING INDUSTRY CONCERNS, MITI HAD BEEN RELATIVELY QUIET IN THIS COMPLICATED SITUATION. IT IS NOT INVOLVED IN NUCLEAR ENERGY DEVELOPMENT AND THEREFORE HAS NO VOICE IN THE SPECIFICS OF FAST BREEDER DEVELOPMENT ON ALTERNATIVE MODES OF OPERATION OF THE TOKAI REPROCESSING PLANT. IN FACT, IT HAS RELATIVELY LITTLE NUCLEAR EXPERTISE, BUT AS MINISTRY CHARGED WITH OVERALL RESPONSIBILITY FOR JAPAN'S ENERGY POLICIES, ITS VIEWS CARRY GREAT WEIGHT. FOR THE PAST YEAR OR SO WE HAVE WATCHED (AND REPORTED) MITI'S EFFORTS TO ASSUME A MORE COMMANDING ROLE IN THE NUCLEAR BUSINESS OF JAPAN. THIS COULD COME ABOUT ONLY AT THE EXPENSE OF STA. IT IS FAIR TO SAY THAT MITI'S AGENCY FOR NATURAL RESOURCES AND ENERGY

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 TOKYO 08910 02 OF 03 160524Z
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W
-----160529Z 086695 /15

O 160405Z JUN 77
FM AMEMBASSY TOKYO
TO SECSTATE WASHDC IMMEDIATE 8665

C O N F I D E N T I A L SECTION 2 OF 3 TOKYO 8910

EXDIS

(ANRE) HAS BEEN PARTIALLY SUCCESSFUL IN ACQUIRING RESPONSIBILITY FOR NUCLEAR ENERGY IN JAPAN BY BEING GIVEN THE TASK OF REGULATING THE CONSTRUCTION AND OPERATION OF COMMERCIAL NUCLEAR POWER PLANTS. IT ALSO WANTED THE SAFEGUARDS RESPONSIBILITY FOR THESE PLANTS, BUT DID NOT GET IT. IN GENERAL MITI SEEKS TO INCREASE JAPAN'S INDEPENDENCE AND SELF RELIANCE WHERE POSSIBLE. IT HAS BEEN MITI AND NOT STA THAT HAS BEEN PUSHING TO CONVERT JAPAN'S NUCLEAR MANUFACTURING CAPABILITY FROM ONE RELYING HEAVILY ON AMERICAN EXPERTISE AND TECHNOLOGY TO ONE WHICH IS ESSENTIALLY 100 PERCENT INDIGENOUS (EXCEPT FOR NUCLEAR FUEL SUPPLY). ANRE HAS THE RESPONSIBILITY FOR COORDINATING JAPAN'S ENERGY SUPPLY/DEMAND FORECASTS AND HAS BEEN EMBARRASSED BY THE FAILURE OF THESE FORECASTS TO HOLD UP--PARTICULARLY IN THEIR PREDICTION OF THE RATE OF INCREASE OF INSTALLED NUCLEAR POWER CAPACITY.

5. THE INTERPLAY AMONG TOP-LEVEL GOJ OFFICIALS IS ALSO A KEY TO A BETTER UNDERSTANDING OF THE BUREAUCRATIC POSITIONS OUTLINED ABOVE. BEARING CABINET RESPONSIBILITY, UNO HAS BEEN THE PRINCIPAL GOJ SPOKESMAN AND, ATYPICALLY FOR A JAPANESE, IS BLUNT IN HIS APPROACH. ALTHOUGH HE HAD THE ANNOUNCED DELEGATION FROM PRIME MINISTER FUKUDA TO PERFORM THIS FUNCTION, HE MAY HAVE SOUGHT THE RESPONSIBILITY BECAUSE HE COULD SEE A CHANCE TO REAP
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 08910 02 OF 03 160524Z

MAJOR POLITICAL GAINS BY BEING EITHER THE MAN WHO SOLVED THE PROBLEM OR WHO STOOD UP STRONGLY AGAINST A PERCEIVED ARBITRARY U.S. DEMAND. PERHAPS DUE TO PRODDING

BY FUKUDA OR SONODA, HOWEVER, UNO NO LONGER TALKS ABOUT GOING OFF TO WASHINGTON IMMINENTLY TO SOLVE EVERYTHING. IN CONTRAST, BOTH FONMIN HATOYAMA AND ITI MINISTER TANAKA HAVE BEEN TOO PREOCCUPIED WITH OTHER MAJOR ISSUES TO TAKE ON THE TIME-CONSUMING AND COMPLEX NUCLEAR ISSUE. IN A CONVENTIONAL BUREAUCRATIC SENSE, HATOYAMA AND HIS MINISTRY SHOULD HAVE BEEN PLAYING THE LEADING ROLE ON WHAT IS PRIMARILY AN INTERNATIONAL PROBLEM, BUT HATOYAMA HARDLY HAS THE POLITICAL CLOUT TO KEEP HIS MINISTRY IN A LEAD POSITION. IT IS ALSO GENERALLY RECOGNIZED THAT CHIEF CABINET SECRETARY SONODA, A POTENTIAL MOFA SUPPORTER, IS CRITICAL OF BOTH HATOYAMA AND MOFA ON THIS ISSUE.

6. TO FURTHER ROUND OUT THIS PICTURE, WE MUST ALSO TAKE INTO ACCOUNT THE VIEWS OF THE NUCLEAR INDUSTRY ITSELF. THE MANUFACTURERS OF NUCLEAR POWER PLANTS HAVE REMAINED ESSENTIALLY SILENT IN THE POLICY DEBATE, LEAVING THE JAPAN ATOMIC INDUSTRIAL FORUM (JAIF) TO BE THEIR SPOKESMAN. THE UTILITIES LOOK UPON THE PROBLEM IN VERY PRAGMATIC TERMS, FOCUSED LARGELY ON HOW ANY CHANGES IN JAPAN'S NUCLEAR POLICY WILL AFFECT THE ECONOMICS OF NUCLEAR POWER AND THE CONTINUING PUBLIC ACCEPTANCE DILEMMA. THEIR VIEWS TEND TO DOMINATE JAIF'S THINKING ON THE PROLIFERATION ISSUE. IT IS WORTH NOTING THAT THE JAIF'S ANNUAL MEETING IN MARCH WAS CHOSEN AS THE VENUE FOR A PUBLIC STATEMENT BY THE VICE CHAIRMAN OF PNC (A MEMBER COMPANY OF JAIF, ALTHOUGH HEAVILY FUNDED BY THE GOJ) WHICH PROPOSED THAT PNC'S COPROCESSING METHOD BE ADOPTED AS A "TRUMP CARD" TO OVERCOME U.S. OPPOSITION TO THE START-UP OF THE TOKAI REPROCESSING PLANT. ALTHOUGH PART OF THE REASON FOR USING THE JAIF MEETING AS THE PLACE FOR ANNOUNCING THE PROPOSAL MUST HAVE BEEN THE PRESENCE OF USG NUCLEAR

CONFIDENTIAL

PAGE 03 TOKYO 08910 02 OF 03 160524Z

OFFICIALS GILINSKY AND SCHEINMAN, THERE MAY HAVE BEEN ANOTHER REASON: THAT A GROUND SWELL COULD DEVELOP WHICH WOULD FORCE THE GOJ TO ADOPT THE PROPOSAL AS ITS OWN. ALTHOUGH WE BELIEVE THAT THE GOJ TECHNICAL EXPERTS WHO WENT TO WASHINGTON IN APRIL WERE IN FAVOR OF THE SCHEME OR ADJUSTMENTS TO IT, BY THAT TIME INTERNAL POLITICAL PRESSURES HAD BEGUN TO DOMINATE THE PICTURE AND THE DELAY IN TOKAI'S OPERATION THAT WOULD BE EXPERIENCED BY EXTENSIVE MODIFICATIONS WAS NO LONGER ACCEPTABLE TO THE GOJ. THUS A TECHNICAL BALLOON WAS DEFLATED BY A POLITICAL PIN. WE NOTE THAT AN ENTERPRISING REPORTER FOR A JAPANESE NEWSPAPER HAS NOW RECALLED THAT PNC ITSELF WAS THE FIRST TO PROPOSE COPROCESSING FOR TOKAI BUT THAT THE GOJ HAS ADOPTED A CONVERSE ATTITUDE.

7. MANY JAPANESE HAVE TOLD US THE REPROCESSING ISSUE AROSE AT AN AWKWARD TIME. WITH THE GOJ HAVING MADE SEVERAL MAJOR CONCESSIONS TO THE U.S. AND OTHER WESTERN POWERS IN SUCH MATTERS AS FISHING RIGHTS IN THE U.S. 200-MILE ECONOMIC ZONE, RESTRICTION OF COLOR TV SALES, AND COMMITMENTS TO INCREASE IMPORTS OF GOODS FROM THE U.S. AND EUROPE TO COUNTERBALANCE A HIGHLY DISTORTED TRADE BALANCE, AND WITH JAPAN HAVING BOWED TO THE SOVIETS ON FISHING RIGHTS AND HAVING LOST SOME GROUND ON THE ISSUE OF THE NORTHERN TERRITORIES, ONCE AGAIN THE JAPANESE FEEL ON THE DEFENSIVE, BESET FROM ALL SIDES. IN THESE CIRCUMSTANCES IT WAS IMPORTANT TO SHOW THAT IN AT LEAST ONE ELEMENT OF ITS INTERNATIONAL RELATIONS, THE GOJ (AND HENCE THE LDP) HAS BEEN STRONG AND DETERMINED. DURING THE PAST WEEK OR TWO WE HAVE OBSERVED LESS URGENCY ON THE MANY OFFICIALS WHICH WE ATTRIBUTE TO (A) A MORE REALISTIC ASSESSMENT OF THE USG'S POSITION, (B) THE RECOGNITION THAT THE GENERAL PUBLIC HAS BEEN CONCERNED WITH OTHER MATTERS AND HAS NOT YET BEEN STIRRED UP BY THE ISSUE AND (C) THE REALIZATION THAT THIS IS NOT A MAJOR ISSUE IN THE UPCOMING ELECTION CAMPAIGN AND, IN ANY EVENT, CONFIDENTIAL

CONFIDENTIAL

PAGE 04 TOKYO 08910 02 OF 03 160524Z

AN AGREEMENT WITH THE USG PRIOR TO THE ELECTION THAT DID NOT MEET ALL OF JAPAN'S WISHES COULD BE WORSE POLITICALLY THAN NO AGREEMENT AT ALL. FUKUDA AND SONODA SET THIS MODERATE PUBLIC TONE THEMSELVES, AND IT HAS NOW BEEN REFLECTED IN OTHER QUARTERS--BY UNO AND BY MUCH OF THE PRESS. REACTION TO THE "COMMUNIQUE" EMERGING FROM THE LAST ROUND OF TALKS HAS BEEN A GENERAL IF SOMEWHAT RELUCTANT ADMISSION THAT A SOLUTION IS NOT IMMEDIATELY AT HAND, BUT THAT AT LEAST SOME ACCOMMODATION HAS BEEN REACHED WITH THE U.S. IN THAT TECHNICAL TALKS WILL BE HELD ON THE FUTURE OF TOKAI.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 TOKYO 08910 03 OF 03 160539Z
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W
-----160541Z 086845 /13

O 160405Z JUN 77
FM AMEMBASSY TOKYO
TO SECSTATE WASHDC IMMEDIATE 8666

C O N F I D E N T I A L SECTION 3 OF 3 TOKYO 8910

EXDIS

8. JAPAN IS COMMITTED TO THE FAST BREEDER REACTOR AS A MAJOR PART OF THE SOLUTION TO ITS LONG TERM ENERGY PROBLEM AND OF NECESSITY TO REPROCESSING AS AN INTERNAL PART OF THE FAST BREEDER CONCEPT. GOJ BUREAUCRATS HAVE INCREASING NOTED THAT U.S. NUCLEAR POLICY INITIATIVES HAVE NOT BEEN RECEIVED BY OTHER NATIONS WITH GREAT ENTHUSIASM, GIVING THE GOJ OTHER OPTIONS THAT ARE CONSISTENT WITH THE PROTRACTION OF BILATERAL USG/GOJ DISCUSSIONS. THE TABLING OF THE FRENCH ALTERNATIVE TO INFCEP, WITH ITS ATTENTION TO CONVENTIONAL REPROCESSING AND THE PLUTONIUM FAST BREEDER, COULD WELL BE MORE ATTRACTIVE TO THOSE OF THE SEVEN WITH EXISTING FBR PROGRAMS (FRG, JAPAN, UK, FRANCE), THEREBY PERMITTING JAPAN TO SEEK SHELTER IN A COMMON-THINKING COLEGIUM RATHER THAN CONFRONTING THE U.S. BY ITSELF. THIS APPROACH, WHICH HAS BEEN SO TYPICAL OF JAPAN IN THE PAST WHENEVER A MULTILATERAL CONTEXT PERMITTED, WILL NOT SOLVE THE PROBLEMS CAUSED BY ARTICLE 8C OF THE USG/GOJ BILATERAL AGREEMENT, ALTHOUGH SUPPORT FOR JAPAN'S CONCERNS OVER U.S. RIGHTS UNDER ARTICLE 10 (RETRANSFERS TO THIRD COUNTRIES) MAY BE FOUND AMONG EUROPEANS. ONCE THE DIET AND THE PUBLIC HAS BEEN CONDITIONED (AS APPEARS UNDER WA NOW) NOT TO EXPECT A DRAMATIC SOLUTION TO THE TOKAI PROBLEM BY JULY, THE GOJ COULD RELY ON THE EUROPEANS (AND LATER OTHER INFCEP PARTICIPANTS) TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 08910 03 OF 03 160539Z

CARRY THE BRUNT OF DEALINGS WITH THE U.S. WHILE AT THE SAME TIME TAKING A DOMESTIC POSITION THAT U.S. INFLEXIBILITY IS DELAYING AGREEMENT. THE OBJECT OF THIS APPROACH WOULD BE TO POSTPONE SETTLEMENT OF TOKAI MURA AND NUCLEAR COOPERATION AGREEMENT ISSUES UNTIL THE U.S. POSITION HAS BEEN SOFTENED UP BY EUROPEANS. THE DELAYING TACTICS CANNOT BE CARRIED ON TOO LONG, HOWEVER, BECAUSE ULTIMATELY THE LARGE TOKAI STAFF MUST BE GIVEN SOMETHING TO DO.

9. ANOTHER ASPECT OF THIS APPROACH THAT WOULD BE APPEALING TO THE GOJ IS TO COUNTER USG PLANS TO RENEGOTIATE BILATERAL AND MULTILATERAL NUCLEAR COOPERATION AGREEMENTS WHICH ARE BEGINNING TO SURFACE AS STILL ANOTHER BONE OF CONTENTION. WE FEEL CONFIDENT IN PREDICTING NOW THAT JAPAN WILL REFUSE TO BE SINGLED OUT FOR SUCH NEGOTIATIONS

AND WILL INSIST ON WAITING TO SEE WHAT THE U.S. DOES WITH EURATOM IN THIS RESPECT. TO US THIS IS A REGRETTABLE TURN OF EVENTS, SINCE IT OCCURS AT THE END OF A LONG SEQUENCE OF MORE CONSTRUCTIVE EVENTS WHICH HAD GIVEN THE JAPANESE CONFIDENCE IN THEIR RELATIONSHIP WITH THE U.S. IN NUCLEAR MATTERS. AMONG THESE WE CAN CITE OUR PATIENT BUT NOT HEAVY-HANDED ENCOURAGEMENT TO JAPAN TO RATIFY THE NPT, CONSUMMATION OF A SIGNIFICANTLY EXPANDED, EXCELLENT ARRANGEMENT FOR COOPERATION IN LIQUID METAL FBR DEVELOPMENT, SIGNIFICANT JAPANESE INVESTMENT IN U.S. LWR SAFETY PROJECTS, RENEWAL OF INTEREST IN COOPERATION ON A SAFEGUARDS AND PHYSICAL PROTECTION DEVELOPMENT PROGRAM, AND RAPID, SUCCESSFUL NEGOTIATIONS WITH THE IAEA ON THE TERMS OF JAPAN'S NPT SAFEGUARDS AGREEMENT. WE RECOGNIZE THE INCONSISTENCY THAT JAPAN, AS LATE AS A FEW WEEKS AGO, HAD SOUGHT AND RECEIVED FROM THE U.S. ASSURANCES THAT THE BILATERAL NUCLEAR ISSUE WAS TO BE KEPT SEPARATE FROM THE INFCEP MULTILATERAL DISCUSSIONS.

10. NOTWITHSTANDING THIS GLOOMY OUTLOOK, WE BELIEVE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 TOKYO 08910 03 OF 03 160539Z

THAT THE FORTHCOMING TECHNICAL STUDIES STILL PRESENT AN OPPORTUNITY TO REACH A BILATERAL SOLUTION THAT WOULD ACT TO KEEP JAPAN ON THE U.S. SIDE OR WOULD AT LEAST FORCE THE GOJ TO WEIGH WITH CARE THE CONSEQUENCES ON ITS RELATIONS WITH THE U.S. OF NOT REACHING A COMPROMISE. HOWEVER, A TRUE COMPROMISE IS NEEDED, IN WHICH BOTH SIDES GIVE UP SOMETHING TO GET SOMETHING. WE CONTINUE TO BELIEVE THAT THE PROPOSAL MADE IN TOKYO 7686 MIGHT STILL BE ATTRACTIVE TO THE GOJ IF AT THE SAME TIME IT IS CONSISTENT WITH PRESIDENTIAL DIRECTIVES AND CURRENT POLICY. WE ALSO BELIEVE THAT IT MIGHT BE WORTHWHILE TO CONSIDER AGAIN A STATEMENT MADE BY USG REPS TO IMAI AND OHTA ON APRIL 14, IN WHICH U.S. OFFERED TO EXPLORE POSSIBILITIES FOR SUPPLYING PLUTONIUM TO JAPAN FOR USE IN ITS NUCLEAR DEVELOPMENT PROGRAM, TO FURTHER REDUCE INCENTIVE FOR EARLY OPERATION OF TOKAI. THIS TYPE OF POSITIVE, COOPERATIVE APPROACH, IF IT CAN BE BACKED UP WITH ACTION WHEN NEEDED, COULD KNOCK DOWN SEVERAL STRAW MEN IN JAPANESE PRONOUNCEMENTS, SUCH AS "THE U.S. DOES NOT UNDERSTAND JAPAN'S ENERGY NEEDS," OR "THE U.S. IS TRYING TO GET JAPAN TO CANCEL ITS LMFBR DEVELOPMENT PROGRAM.

11. WHEN THE U.S. DELEGATION ARRIVES IN JAPAN, THE PRESS WILL PURSUE IT CONTINUOUSLY. IT WILL BE DIFFICULT TO RESIST THIS PRESSURE WITH A NO-COMMENT ATTITUDE, SINCE THE GOJ SIDE WILL TEND TO LEAK INFORMATION AND REPORTERS WILL ASK FOR U.S. VIEWS IN REBUTTAL OR SUPPORT. WE

SUGGEST THAT U.S. REPS BE AUTHORIZED TO ISSUE PERIODIC STATEMENTS, PERHAPS JOINTLY WITH GOJ, AND TO BE PREPARED TO GIVE PRESS BRIEFING TO FOREIGN CORRESPONDENTS (ON BACKGROUND IF NECESSARY) ON U.S. NUCLEAR POLICY. WE HOPE THAT SOME CLEAR, AUTHORITATIVE REMARKS FOR THE RECORD WILL BE AVAILABLE TO COUNTERACT SOME OF THE MISUNDERSTANDINGS THAT EXIST HERE ON THIS IMPORTANT BUT COMPLICATED MATTER.

MANSFIELD
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 TOKYO 08910 03 OF 03 160539Z

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NUCLEAR ENERGY, POLICIES, NUCLEAR POWER PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 16-Jun-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TOKYO08910
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770214-0997
Format: TEL
From: TOKYO
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770648/aaaabqam.tel
Line Count: 455
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9bb27c7b-c288-dd11-92da-001cc4696bcc
Office: ACTION SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 9
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2119527
Secure: OPEN
Status: NATIVE
Subject: BUREAUCRATIC DYNAMICS OF NUCLEAR ISSUE UPDATED SUMMARY. THE REPROCESSING ISSUE IS INCREASINGLY A MATTER OF TOP LEVEL CONCERN IN JAPAN. REPROCESSING AND FURTH
TAGS: PARM, TECH, ENRG, JA, US
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/9bb27c7b-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009